



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

June 4, 2001

Susan Callister  
Brush Resources, Inc.  
P.O. Box 815  
Delta, Utah 84624

Re: Acceptance of Surety Bond Rider, Brush Resources, Inc. Topaz Mining Properties, M/023/003,  
Juab County, Utah

Dear Ms. Callister:

On May 29, 2001, we received the rider issued by Western Casualty Company regarding surety bond #69094538. The bond amends the surety to remove the U S Dept of Interior, Bureau of Land Management from the surety bond. The State of Utah, Division of Oil, Gas and Mining remains as the main beneficiary of the surety bond. The Division Director accepted and signed the surety bond rider. A copy is enclosed for your records.

Because this is a rider to the existing reclamation bond, which is directly tied to the Division's Reclamation Contract, no other paperwork is required from Brush Resources, Inc. for this transaction at this time.

On March 12, 2001, the Bureau of Land Management (BLM) released Brush Resources, Inc. from any further reclamation obligations for that portion of the mine project which was located on BLM lands. The BLM no longer requires reclamation surety for this mine site.

Thank you for your help in this matter. If you have any questions regarding this letter, please contact me at (801) 538-5286 or Tom Munson at 538-5321.

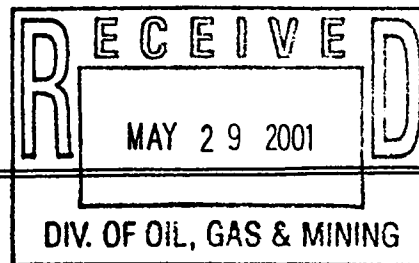
Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Attachment: Copy of surety bond rider  
cc: Rex Rowley, BLM, Fillmore FO w/encl  
Tom Munson, DOGM  
M23-03-rider.doc



22/023/003



GENERAL PURPOSE RIDER

To be attached to and form part of Bond Number [REDACTED] effective DECEMBER 20, 2000  
issued by the WESTERN CASUALTY COMPANY----- in the amount of  
FIVE HUNDRED THOUSAND----- DOLLARS, on behalf of BRUSH RESOURCES, INC.

as Principal and in favor of STATE OF UTAH, DIVISION OF OIL, GAS AND MINING AND U S DEPT OF INTERIOR as obligee:  
BUREAU OF LAND MANAGEMENT

Now, Therefore, it is agreed that:

THE OBLIGEE IS AMENDED TO READ AS FOLLOWS:

STATE OF UTAH, DIVISION OF OIL, GAS AND MINING

L.F.

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

This rider is to be effective the 9TH day of MARCH 2001

Signed, sealed and dated this 18TH day of MAY 2001

WESTERN SURETY COMPANY

By:

Janet E. Kaiser  
JANET E. KAISER

Attorney-in-Fact

Accepted By:

James P. Branta

Director, Ut Oil, Gas & Mining



# Western Surety Company

A Subsidiary of CNA Surety Corporation

## POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint  
Peter E. Johnson, Janet E. Kaiser, Individually

of Dublin, Ohio

its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature  
- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its President and its corporate seal to be hereto affixed on this 23rd day of May, 2000.

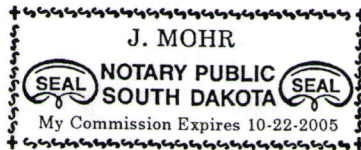


WESTERN SURETY COMPANY  
Stephen T. Pate  
 Stephen T. Pate, President

State of South Dakota }  
 County of Minnehaha } ss

On this 23rd day of May, 2000, before me personally came Stephen T. Pate, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires  
October 22, 2005



J. Mohr  
 J. Mohr, Notary Public

### CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this \_\_\_\_\_ day of \_\_\_\_\_,



WESTERN SURETY COMPANY  
L. Nelson  
 L. Nelson, Assistant Secretary